

FINAL

BAC 2004 Minutes
Meeting Date: 10/26/04

Milford Budget Advisory Committee Meeting Minutes Approved 11/02/04 Meeting Date 10/26/04

Attendance:

BAC Members:

Therese Muller
Bill Fitzpatrick
Didi Carter
Mike Roske
Joe Stella
Bob Courage
Kevin Taylor
Don Caisse (late)

Town Staff:

Katie Chambers

Others:

Cabinet Press

Topics of Discussion:

Approval of Minutes
Town Reorganization Plan
Old Business
 Library response to questions
Department Reviews
 Solid Waste / Recycling
Closing

Next Meeting: Next BAC meeting will be at 7:30 on Tuesday 11/2, in the Keyes Meeting Room upstairs at the Wadleigh Memorial Library.

APPROVAL OF MINUTES

The BAC voted 7-0 (2 absent) to amend and then approve the amended meeting minutes of the 10/19 BAC meeting. Approved minutes will be forwarded to BAC members and Dawn Griska. Dawn will save the minutes in .PDF format and forward them to Alan Woolfson for posting to the town's website.

TOWN REORGANIZATION PLAN

Katie Chambers, Town Administrator, presented the plan to divide the Town Clerk/Tax Collector roles into two separate management chains within the Town's hierarchy. The Town Administrator was asked to evaluate this position for efficiency in February of 2004. The following information was presented by Katie Chambers:

Basic facts:

1. The Town Clerk is an elected position, reporting only to the voters of the Town. The Milford Town Clerk serves a three-year term. Note that while the Town Clerk does not report directly to the BOS, the wages for the position are set and paid by the BOS.
2. The Town Clerk's responsibilities are set by State statute.
3. The Tax Collector is an appointed position. Wages are set by the Town, and an employment agreement must be reached prior to April 1 of each year.
4. The Tax Collector's responsibilities are set by State statute.

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The workload for the Town Clerk and for the Tax Collector vary greatly in both volume and type of work. The Town Clerk, handling Town Motor Vehicle registrations and other licensing and election duties, experiences a very high workload at the beginning and end of each month, with a lull in between. The Tax Collector is extremely busy twice a year when tax bills are due, but does not have much to do outside those times.

The duties of the Tax Collector fit more naturally with the Finance Department, providing the major source of revenue for Town operations. Additionally, the Town may be in a difficult position if a future Town Clerk is unwilling or unable to perform the duties of the Tax Collector. It was noted, however, that the current Town Clerk is an exceptional employee and has been doing an excellent job handling both roles. In general, the BOS would like to handle an elected position differently than an appointed position.

Removing the Tax Collector role from the Town Clerk and adding the role to the Finance Director's duties would provide cost savings to the town. The move would allow the elimination of one (currently unfilled) clerk position in the Town Clerk's office. The move would also allow the BOS to adjust salaries for both the Town Clerk and Finance Director's positions, making changes to account for additional and lost responsibilities. Finally, cost savings would be generated by using a lock-box service offered by the bank to eliminate the labor costs of opening and logging tax bill receipts. Logging would only need to be done based on periodic reports from the bank. The bottom-line savings to the town is on the order of \$10K per year. These savings are estimated based on a 35% benefits cost. True benefits cost is currently estimated at 50%, resulting in even larger savings.

Reorganizing these departments would require capital outlay of approximately \$27K for office space changes and personnel moves. Annual savings would allow these costs to be recouped in less than 3 years.

One side effect of the office move would be to relocate the Information Systems servers downstairs in the Town Hall into the recreation department space, providing climate controlled operation space for the Town's servers. Additional space may also be available in Town Hall by moving the Police Substation to the Police Station when construction is complete.

A significant negative impact of this change will be a pay cut to the Town Clerk of nearly \$5K per year, while the Finance Director will receive a 10% pay increase. This is a difficult consideration because the current Town Clerk, as noted, is doing an excellent job in the position. The BOS, when asked about this consideration, noted that there was never a "right time" for such a change, and that waiting for a change in the Town Clerk position would only serve to postpone an opportunity for significant savings.

The BAC asked how long the Town Clerk and Finance departments would remain stable (i.e. no new hires) after the reorganization. Katie responded that there would be no need for increases in staff unless the Town decides to implement a centralized purchasing system. The centralized system would require staff for operations.

OLD BUSINESS

Library Response to Questions

Bill Fitzpatrick discussed the BAC's questions with the Library. The questions, and the Library response, are included below from a handout provided by Bill at the meeting:

BAC: How can Amherst Library be open 63 hrs with the less staff (10.37 FTE) vs. Wadleigh at 51 hrs with 10.7 FTE?

Library: One of our FTE positions is our custodian. Amherst does not have a custodian. We provide a lot more Children's Programs. These are extremely labor intensive.

BAC: Instead of increasing hours are there some hours we are currently open that we can cut, using that money saved to pay for the new ones we want?

Library: Can't cut any current hours. Different clienteles at different times. Preschool children and mothers in mornings as well as senior citizens. Mixed use most of the day. Heavy use after school and evenings. Public meetings most evenings. Parking lot is in overflow mode during many Story Hours and meetings. Survey results asked for additional hours.

BAC: Why can't we be open longer hours on Saturday by cutting our Sunday hours? (Deana question)

Library: Sundays are very busy and popular. Also Sunday hours were specifically reinstated by a warrant article many years ago.

BAC: Who will benefit most by the extra hours? Adults? Children? Do we have a breakdown of library expenses of adult vs. children?

Library: Extra hours would benefit both Children and Adults. We don't have a good way to breakdown expenses of adult vs. children other than actual salaries of Children's staff and cost of children's programs and materials. Circulation, Technical Services, Reference and Administration staff support both groups. Overhead costs for building operation can not be broken out by program.

After hearing these responses, the BAC voted 8-0 (1 absent) in favor of the following statement: *"Shall the BAC support the Warrant Article for an Increase of 4 hours in Library Hours?"*

DEPARTMENT REVIEWS**Solid Waste / Recycling**

The Solid Waste / Recycling department noted that the budget restriction of "default + 1.5%" would be sufficient to cover needs for 2005, except for the addition of two roll-off containers at approximately \$4K each to handle glass and metal disposal. These containers are expected to be purchased from savings generated out of the 2004 operating budget.

Roll-offs at the transfer station are currently used for recyclables and metal collections. They were originally planned for use on demolition materials, but a cost analysis done at the time resulted in a contract being let to Waste Management to handle demolition materials. The BAC requested that Katie Chambers and/or Bill Ruoff provide a copy of that cost analysis so that assumptions can be revalidated. It may be possible that current conditions change the balance of costs. The contract with the mixed paper

company is coming up for renewal, so this would be an appropriate time to reevaluate the cost benefit of paying for mixed paper disposal.

The purchase of a compactor and a third roll-off container would allow the Town to handle and sell mixed paper waste at a current price of \$110/ton, with the current rate of disposal of 40 ton/month. This would generate a considerable revenue stream, but may be offset by the added costs of transport, especially with fuel costs rising. Again, a look at the cost analysis performed previously will help to determine what recommendations, if any, should be made in this area.

The current roll-off truck at the Transfer Station is used for one (1) load per day on average. The driver is paid as an operator, and spends the remaining portion of his time filling in at the scale house or in the recycling center. The Transfer Station also employs another operator to drive the backhoe. However, 50% of the backhoe work was eliminated when the trash compactors were installed and there was no longer any need for the backhoe to be used to compress the collections.

Overall, utilization of employees within the DPW as a whole has been seen to be a problem. Having two (2) operators working less than half-time on "operator-type" tasks leads to the appearance that these tasks could be combined and the remaining activities performed by lower-paid employees. The other operator could presumably be used by the DPW in other areas where skilled labor is required. The BAC will discuss the issue of staffing and utilization during discussions with the DPW director.

Staffing issues are underscored by an examination of the Transfer Station budget and actual numbers. As of 8/24, part time and temporary wage expenses were \$21,744, against a \$16K budget. In 2003, the final expense was \$24K against a \$14K budget. When line items in the budget are repeatedly overrun (or under run), the Director must evaluate the basis of the numbers and determine if the budget is being underestimated regularly, or if actual costs are being recorded against incorrect accounts. The budgeting process should provide the most accurate picture possible of anticipated expenses for the budget period.

Another staffing issue is again the inability of the Town to eliminate under performing workers. In the last three years, there have been zero (0) involuntary terminations at the Transfer station, although there have been occasions when such actions may have been helpful. Currently, the Director has the authority to terminate employees. Under the proposed DPW reorganization, supervisors would have the authority to terminate employees with notification to the director. This would include the Transfer station supervisor.

Even more frustrating to local level management is the fact that in some cases, it is perceived that poor performers receive exactly the same raise as high performers. This may be due to union contracts, depending on the workers involved. Current union contracts specify a percentage increase on a per-annum basis. Another discussion topic with the DPW director must be how raises are distributed within the department.

The Transfer station is in the second phase of a state-mandated closure evaluation. Three (3) new testing wells were recently drilled on the site. Current restrictions do not allow for the construction of any new buildings or the storing of any metal on the ground.

The latter restriction leads to the need for a roll-off container for metal storage. Demolition disposal costs were recently changed to 1¢/lb for less than 500 lbs, and 5¢/lb for 501 lbs or more. This is to encourage the proper disposal of lighter items such as mattresses to avoid adding improper items to the general disposal.

In the past (~1980/1981), the Town of Milford has gotten inadvertently involved in improper dumping in landfills, the most recent example in Tyngsboro, MA, resulting in the Town being fined \$111,000 for cleanup expenses. After this fine, the BOS set a policy never to send trash to landfills, but rather to incinerators.

Currently, some of the Town's waste is incinerated, but some is brought to landfills. This is in direct violation of the Town's contract with Waste Management, but is not being enforced. It was noted that there is some Summer leeway in the contract, but that the terms should be enforced to avoid future issues.

No votes were taken on the Transfer Station budget.

OTHER DISCUSSION

The 11/2 meeting will focus on the Town Clerk's office, Information Systems, and the Fire Department, time permitting.

CLOSING

The BAC meeting adjourned at 9:30 pm.

Next meeting will be in the Keyes Meeting Room (upstairs in the Library) at 7:30 on Tuesday 11/2/04. All BAC members were reminded that 11/2 is voting day and they should be sure to vote prior to attending the meeting.

ACTION ITEMS FROM 10/26 MEETING:

None.

VOTES AT THE 10/26 MEETING:

"Shall the BAC support the Warrant Article for an Increase of 4 hours in Library Hours?"
BAC voted yes (8-0, 1 absent)

===END=====